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Overview of Business Results in the 1st Quarter of Period ending February 20, 2006

Name of the Listed Company:

AEON Co., Ltd.

Securities Exchange where Listed:

The First Section of Tokyo Stock Exchange

Security Code Number:

8267

Location of Head Office:

Chiba-pref.

URL:

http://www.aeon.info

Representative:

Motoya Okada, Director and Representative Executive Officer

For Inquiries:

Yuiken Tsutsumi, Vice President (Corporate Communications Department)

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Telephone: +81-43-212-6042 (Pilot Number)

- 1. Matters Concerning the Preparation of Quarterly Financial Information etc.
- ① Adoption of simplified accounting methods: Yes

  (Details) Calculation of income taxes and allowances are based on the simplified method. In addition, simplified method is adopted on other items to have small effect.
- ② Changes made to the accounting policies from the latest accounting period: None
- ③ Changes of the Range of Consolidation and Equity Method: The following changes made.

Number of Newly Consolidated Subsidiaries:

Number of Excluded Consolidated Subsidiaries: 2

Number of New Equity-Method Affiliates:

Number of Excluded Equity-Method Affiliates: Nil

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## (2) Variation of Financial Condition (Consolidated)

	Total Assets	Shareholders'	Shareholders'	Shareholders'
		Equity	Equity Ratio	Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
Quarter ended	2,824,125	636,767	22.5	878.44
May 2005				
Quarter ended	2,640,353	485,152	18.4	1,456.84
May 2004				
(reference)	2,752,088	632,022	23.0	871.63
Fiscal Year ended				
February 2005				

### (3) Conditions of Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Closing Balance of Cash and Cash
				Equivalents
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Quarter ended	△20,678	△48,102	43,771	250,169
May 2005				
(reference)	69,089	△125,190	49,787	274,366
Fiscal Year				
ended February				
2005				

# [Translation Omitted]

### [Reference]

Forecast of Consolidated Earnings Fiscal Year ending February 20, 2006 (February 21, 2005 February 20, 2006)

	Predicted	Predicted	Predicted	Predicted	Predicted Net
	Total revenues	Operating	Recurring Profit	Net Income	Income per Share
	'	Income			after adjustment of
					potential shares
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Interim	2,110,000	66,000	70,000	△28,000	△38.88
Fiscal					
Year					·
Whole	4,340,000	160,000	166,000	19,000	25.95
Fiscal					
Year					

[Translation Omitted]

	This Quarter	Same quarter,			(reference)
	Triis Guarter	Previous vear	Increase /D	10000000	Fiscal Year Ended
	(1st Quarter	(1st Quarter	Increase / L	recrease	February 20.
	FYE 20, 2006)	FYE 20, 2005)			
	Amount	Amount	in amount	in percentag	2005 Amount
(Liabilities)	Amount	Amount	in amount	in percentag	Amount
I Current Liabilities					
1 Notes and accounts payable - trade	467,260	456.916	10.344	2.3	485,169
2 Short-term borrowings	116.530	125,050			78.985
(other than commercial paper)	110,000	120,000	40,515		70,500
3 Curernt portion of long-term debt	105,418	82.060	23.357	28.5	113,965
4 Current portion of bonds	22,700	02,000	22,700		22.765
5 Commercial paper	7.000	46.000			1.000
6 Income taxes payable	16.323	13,242		T .	26.948
7 Accrued bonuses	17,245	16.840			8.711
8 Provision for store closing expenses	5.906	3.475	2.430		6.124
<u> </u>	15,284	47.849	,		
9 Current portion of obligations	13,204	47,049	23 32,303	<u>∠</u> 00.1	16,660
under reorganization proceedings	58.065	47.953	10,111	21.1	54,353
10 Notes payable for properties 11 Others	228.233	214.243		1	233.071
Total current liabilities	1,059,967	1.053.634		4	1.047.757
II Fixed Liabilities	1,059,867	1,000,004	0,333	0.0	1,047,757
1 Bonds	145,150	138.005	7,145	5.2	125,150
2 Long-term debt	411,912	376.036	.,	1	396.966
3 Deferred tax liabilities	8.372	9.624		1	
4 Reserve for retirement grants	34,220	65,273	Δ 1,252 Δ 31,053		33.313
5	1.361	1.418	△ 31,053 △ 57		
5 Reserves for retirement grants for retiring Directors and Corporate Auditors	1,301	1,418	L 23/	△ 4.0	1,525
6 Provision for store closing expenses	5.434	3,891	1.543	39.7	5.576
7 Provision for contingent liabilities	1.790	3,804			1,790
· ·	59.549	75.979			60.953
8 Obligations under reorganization proceedings 9 Lease deposits from lessees	162,732	148.176			153,474
10 Negative goodwill	72.125	85.610			75.966
11 Others	17,210	12,655			7,404
Total Fixed Liabilities	919.859	920,477	△ 617	J Δ 0.1	870.842
Total of Liabilities	1,979,827	1,974,111	5,715		1,918,599
(Minority Interests)	1,373,027	1,3/4,111	3,713	0.3	1,916,00
Minority Interests	207,531	181.090	26,441	14.6	201,465
(Shareholders' Equity)	207,331	161,090	20,441	14.0	201,400
Common stock	101.798	51,296	50,501	98.5	101,798
I Capital surplus	167,710	117.235	50,301		167.710
III Retained earnings	358,909	305,738			356.004
IV Unrealized gain on available-for-sale securities	12.885	12.440			12.454
V Foreign currency translation adjustments	12,865 △ 3,812	12,440 △ 852	△ 2,960		
Loss on transfer of the substitutional portion	△ 723	△ 706	Δ 2,900 Δ 17	2.4	△ 3,222 △ 721
Total of Shareholders' Equity	636,767	485,152	151,615		632,022
Total of Shareholders' Equity  Total of Liabilities, Minority Interests and Shareholders' Equity	2,824,125	2.640.353	183,771	7.0	2,752,088
rocar or machines, withority interests and onareholders. Equity	2,024,123	2,040,333	100,771	7.0	2,132,056

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#### SUMMARIZED STATEMENTS OF CONSOLIDATED CASH FLOWS

<u>oom</u>	MARIZED STATEMENTS OF CO	NOOLIDATED OASITTE	(unit: millions of yen)
		This consolidated	Reference:
		financial quarter	Current Consolidated
	Item		Fiscal Period
		February 21, 2005	February 21, 2004
I Ocal Flam ( O	Linear A - A in this	May 20, 2005	し February 20, 2005 丿
I Cash Flows from Opera	_	20,000	120 002
Income before income and minority interests	taxes	28,986	136,823
Depreciation and amort	ization	26,125	96,797
Amortization of negative		(2,223)	(9,150)
Increase in allowance for	<del>-</del>	7,251	24,763
Increase in reserves for	r bonus	8,509	94
Increase in employees	retirement benefit	1,244	4,501
Increase (decrease) in		(359)	3,945
Interest and dividend in	come	(453)	(2,191)
Interest expense	ST. A. I.	1,643	6,929
Equity in earnings of af Gain on sale of fixed as	•	(674)	(2,735) (3,117)
Loss on sale or retirem		(492) 677	5,098
Increase in trade receiv		(27,254)	(47,750)
Increase in Inventory A		(199)	(21,245)
Increase in finance rec		(24,306)	(62,007)
Increase(decrease) in n	otes and accounts payable	(23,046)	3,751
	in Other assets or debt	8,031	9,080
Others		837	12,403
	ub-total	4,297	155,900
Interest and dividend re	eceived	898	2,344
Interest paid	the defined-contribution	(1,602)	(6,867)
pension plan and others			(39,155)
Income taxes-paid	•	(24,272)	(43,222)
Cash Flows from Opera	ting Activities	(20,678)	69,089
II Cash Flows from Inves		(22,275)	
Purchases of marketab	le securities	(1,000)	(5,000)
Proceeds from sale of		3,000	3,760
Purchases of properties		(46,842)	(174,817)
Proceeds from sale of		2,324	38,828
Purchases of investment Proceeds from sales of		(1,660) 262	(5,578)
Cash received (paid) in		202	16,681
the purchases of consc	=	(8,273)	(2,427)
(Payments for) proceed		(0,2,0)	(=, .= . /
consolidated subsidiarie			(1,538)
Payments for fixed leas	sehold deposits to lessors	(5,162)	(24,186)
1	ehold deposits to lessors	5,076	27,612
Proceeds from lease de	•	7,738	19,673
Repayments of lease de	eposits from lessees	(3,373)	(15,984)
Others Cash Flows from Invest	ting Activities	(194)	(2,214)
Cash Flows from Invest III Cash Flows from Final	~	(48,102)	(125,190)
Net increase (decrease		41,320	(43,583)
Proceeds from long-ter	•	48,294	146,149
Repayments of long-te		(41,017)	(82,782)
Proceeds from Issue of		19,882	9,935
Proceeds from issuing		_	100,210
Repayments of obligation		(4,304)	(60,061)
reorganization proceed	-	100	****
Proceeds from issuance to minority shareholder		136	7,111
Repurchases of subsidi		(27)	(6,493)
from minority sbarehold		[ (27)	(0,433)
Dividends paid to share		(8,698)	(7,326)
Dividends paid to minor		(2,691)	(5,195)
Others		(8,121)	(8,175)
Cash Flows from Finan	cing Activities	43,771	49,787
IV Foreign currency tran		811	(1,042)
on cash and cash equiv		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	/=
V Net decrease in cash a	•	(24,197)	(7,356)
VI Initial cash and cash e VII Closing balance of ca		274,366 250,169	281,723 274,366
vii Olosing balance of ca	sir and cash equivalents	200,109	274,300

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April 20, 2005

To Whom It May Concern

Company Name: AEON Co., Ltd.

Name of Representative: President & Director: Motoya Okada

(Code #: 8267)

Contact: Corporate Communication

Manager: Yuiken Tsutsumi

(TEL: 043-212-6061)

# **Determination of Nominees for Operating Officer**

The company determined nominees for Operating Officers and we hereby announce it as follows. In this connection, Operating Officers will be appointed by a resolution of the Board of Directors to be held on May 19, 2005.

1. Nominees for Operating Officers (current)

(Translation Omitted)

2. Appointments of Operating Officers (As of May 19)

(Translation Omitted)

3. Retiring Operating Officer

(Translation Omitted)

4. Career summary of new nominees for Operating Officers

(Translation Omitted)

# To Whom It May Concern

Company Name: AEON Co., Ltd.

Representative: Director

President & Representative Operating Officer: Motoya Okada

(Code #: 8267)

Contact: Corporate Communication

Executive Officer & Manager: Yuiken Tsutsumi

(TEL: 043-212-6042)

# The results of the 80<sup>th</sup> General Meeting of Shareholders

We hereby announce that the proposal for appointment of eight (8) directors was approved and resolved as originally proposed upon at the 80th Ordinary General Meeting of Shareholders held today.

(Translation Omitted)

Company Name: AEON Co., Ltd.

Representative: Director

President & Representative Operating Officer: Motoya Okada

(Code #: 8267)

Contact: Corporate Communication

Executive Officer & Manager: Yuiken Tsutsumi

(TEL: 043-212-6042)

#### Subsidiary "SIAM JUSCO CO., LTD." (Thailand)

SIAM JUSCO CO., LTD., our subsidiary, determined to drastically change the business strategy and concentrate on supermarket operations marking its 20<sup>th</sup> anniversary since its establishment in 1984 and we hereby announce it.

SIAM JUSCO CO., LTD. was established in 1984 for the purpose of operating stores such as general merchandising stores in Bangkok metropolitan area. The company operates a maximum of 14 stores of general merchandising stores and supermarkets which treat commodities and the operating revenues amounted to 4,400 million baht in 2000.

However, it was hit by an increase of debt in foreign currency and has been affected on its finance after Asian economic crisis happened in 1997. Under such circumstances, the improvement of financial standing has become an issue for many years in order to achieve the growth of supermarket operations in Bangkok metropolitan area where further growth will be expected in the future.

SIAM JUSCO CO., LTD. therefore applied for Business Reorganization Process (Business revitalization proceedings) which is a legal bail-out package in Thailand enacted in 1988 on the 4th of this month, and will develop a revitalization scheme under the leadership of the court from now on. We can ensure the transparency of management and achieve restoring financial soundness at an early date by utilizing this legal framework. In addition, as for employment, business engagement, payment and so on, we will continue them as is conventionally done.

In the future, SIAM JUSCO CO., LTD. will develop " a convenient store which is indispensable for customers' daily life" with the aim of operating 30 stores in 2010 while concentrating management resources on supermarket operations and developing new stores primarily in Bangkok metropolitan area.

[SIAM JUSCO CO., LTD. (Year ended December 2004)]

Head Office:

129 Rachadapisek Rd., Dindaeng Bangkok Thailand

Incorporation:

December 1984

Capital:

308.2 million baht

Operating Revenue:

3,090 million baht

Number of Stores:

7 (Ratchadapisek, Srinakarin, Sukhapibal, Bangbon,

Phacha-u-tit, Sukhumvit 71, Pakkret)

Number of Employees:

823

Representative:

President & Director: Takashi Fukuhara

Total liabilities:

4,500 million baht

June 22, 2005

1-5-1, Nakase, Mihama-ku, Chiba-shi

AEON Co., Ltd.

President & Director: Motoya Okada

(Code #: 8267)

### Notice of the results of unsecured corporate bond issue

The company issued the 13<sup>th</sup> and 14<sup>th</sup> unsecured debenture (with the same ranking special contract limited between debentures) and we hereby announce it as follows.

(Translation Omitted)

1. Name	AEON Co., Ltd. 13 <sup>th</sup> debenture bond	AEON Co., Ltd. 14 <sup>th</sup> debenture bond		
	(with the same ranking special	(with the same ranking special		
	contract limited between debentures)	contract limited between debentures)		
2. Amount issued	15 Billion Yen	20 Billion Yen		
3. Interest rate	2.59% per annum	1.60% per annum		
4. Issue value	100 Yen per face value of 100 Yen			
5. Redemption value	100 Yen per face value of 100 Yen			
6. Term	20 Years	10 Years		
7. Redemption date	June 20th, 2025	June 22nd, 2015		
8. Redemption method	(1) Bullet Maturity			
	(2) Repurchase of this bond can be ma	ade at any time after the next day of the		
	date of issue.			
9. Interest payment date	June 22nd and Dece	ember 22nd annually		
10. Application period	June 6th, 2005	June 8th, 2005		
11. Payment date	June 22nd, 2005			
12. Mortgage	Property security and guarantee are not attached to this debenture and			
	there is especially no property reserved for this debenture.			
13. Special contract on	The "Negative pledge clause" is attached.			
financial affairs				
14. Grade	A+ (R&I), A-(S&P)			
15. Lead managing underwriter	Mizuho Securities Co., Ltd. and	Mizuho Securities Co., Ltd. and		
	Goldman Sachs, Ltd. Tokyo branch	Nomura Securities Co., Ltd.		
16. Place of Application	The head office and domestic each branches of			
	underwriting securities companies			
17. Fiscal agent	Mizuho Corporate Bank, Ltd.			
18. Registrar	Mizuho Corporate Bank, Ltd.			
19. Yield to subscriber	2.590% per annum 1.600% per annum			

Contact: Corporate Communication Department Ogura / Oshima (TEL: 043-212-6042)